GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1537
ANSWERED ON:22.08.2007
SPECIAL PACKAGE FOR STATES
Murmu Shri Hemlal;Shakya Shri Raghuraj Singh;Singh Shri Mohan;Yadav Shri Mitrasen

Will the Minister of PLANNING be pleased to state:

(a) whether several State Governments especially State Governments of Uttar Pradesh and Jharkhand have demanded special economic packages for the implementation of development schemes in their States ;

(b) if so, the details thereof including the proposals received by the Union Government during the last three years, till date, State-wise;

(c) the action taken by the Union Government thereon including the States which have been sanctioned special economic packages and other assistance;

(d) whether the State Government of U.P. has also asked for special package for backward regions such as Purvanchal and Bundelkhand;

(e) if so, the details thereof, including the reaction of the Union Government thereto;

(f) whether the Union Government has constituted a committee to study such proposals for grant of economic package to the States;

(g) if so, the details thereof; and

(h) the time by which the Committee is likely to present its report?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) & (b): The proposals for Special Economic Package for the implementation of development schemes has been received from the following States:

Name of State	Amount requested
Uttar Pradesh (in 2004)	Rs. 18,230.00 crores
" (in 2007)	Rs. 79,880.87 crores
Uttarakhand	Rs. 130.54 crores
Chhattisgarh	Rs. 1435.00 crores
Madhya Pradesh	Not specified
Orissa	Rs. 13096.00 crores
Jharkhand	Rs. 38961.00 crores
Punjab	Rs. 2040.00 crores

(c): Government of India generally does not release funds for state-specific special economic packages. However, state-specific need-based special dispensations are made as and when warranted through existing programmes / schemes under Annual / Five Years Plans.

(d) & (e): Planning Commission has received a proposal from Government of Uttar Pradesh seeking "Special Area Incentive Package" for Bundelkhand & Poorvanchal Regions. The package would include the following concessions from the Government of India:

(i) Exemption from Central Excise Duty for ten years;
(ii) 100% exemption of Income Tax for the first five years and 30% exemption of Income Tax for the next five years;
(iii) 15% subsidy on Capital Investment upto a maximum of Rs. 30 lakhs. A Study Group has been constituted to prepare a Road Map for Rapid Economic Development of Uttar Pradesh. The Group is expected to submit the Strategy Paper by 30th October, 2007.

(f): No such Committee has been constituted by the Planning Commission to study such proposals for grant of economic package to the States.

(g) & (h): Does not arise.